

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 1148-06
Bill No.: HCS for SB 395
Subject: Corporations: Civil Procedures
Type: Original
Date: April 16, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Secretary of State - Corporations Division**, the **Office of the Attorney General**, the **Department of Insurance**, and the **Department of Labor and Industrial Relations** assume no fiscal impact to their organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal would define statutory requirements for mergers or consolidations of general partnerships.

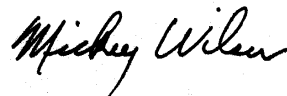
This proposal would also establish that on a motion to dismiss for lack of applicability under Section 351.055(9) RSMo, the challenger must plead facts challenging such applicability with particularity, and on a motion for summary judgment the challenger has the burden of proving the provisions fail to apply.

The proposal would allow an individual who is entitled to vote as a shareholder of a corporation which is a party to a merger or consolidation to file an objection to such action prior to or at the merger or consolidation meeting and then seek an appraisal for his stock. Further, when the shareholder has elected such appraisal or the compensation offered under the plan of merger or consolidation, that shall be the exclusive remedy of the shareholder except in the case of fraud or lack of authorization for the transaction.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Secretary of State
Office of Attorney General
Department of Labor and Industrial Relations
Department of Insurance



Mickey Wilson, CPA
Director

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